

Financial Management User Group
Minutes
January 18, 2007

Chief Accountants in Attendance

Joe Bengel	Russ Hecko	Lyle Ross
Lorie Blundy	Gena Hyde	Corey Sparks
Al Christian	Preston Ilg	Patricia Schrauben
Mike Draschil	Raj Mehta	Kim Stephen
Palmer Giron	Juzer Modi	Penny Wright
Rick Harper	Melanie Oudsema	Rose Zuker

Other Attendees

Deb Bachman	Heather Hammond	Paul McDonald	Jean Ramsey
Cindy Bloomer	Amy Henderson	Angela McNulty	Tracie Richards
Eileen Bur	Chris Holly	Laura Mester	Doug Ringler
Marilyn Carey	Jill Lockhart	Peggy Murphy	Cheri Thompson
Brian Curran	Sharon Maher	Jane Paxton	Jill Treposki
Julie Earle	Tim Martin	Cindy Peters	Arlene Wittenberg
Lisa Fath	Ann Mazurek	Shelley Pelfery	Peter Woodford
Marge Fuller	Patrick McCarty	Jeremy Piggott	

Opening Remarks

Laura Mester, Chair, opened the meeting and welcomed for the first time to the FMUG Ann Mazurek (Education), Heather Hammond (Information Technology), and Tracie Richards (Treasury).

Until further notice the CAFR will be delayed. A supplemental is in process. OFM will follow up with departments regarding new representation letters as well as subsequent events.

An unaudited 120-day report will be issued in January.

Budget Update

No one from the Office of the Budget (OSB) was able to attend.

Laura announced that Bob Emerson accepted the position of State Budget Director recently vacated by Mary Lannoye who has become Governor Granholm's Chief of Staff.

Laura noted that OSB will be asking departments for their restricted revenue carry-forward

There will be a detailed review of payment processing, journal vouchers, use of allotments, and we will work with the departments' budget offices on how transactions are processed. An Executive Order is likely to be issued which will mean a tightening of controls.

Doug Ringler added that an internal control evaluation tool will be available soon on OFM's website. This tool can assist agencies in determining if they have the proper controls in place and making certain that budgetary overspending does not occur.

Treasury Update

The Treasury update was given by Eileen Bur.

1. Vendor Warrant Truncation
 - Changes went into production November 1, 2006.
 - No issues to date.
2. PCI – Credit Card Security Requirements
 - Working with agencies in areas where “No” was answered on the PCI questionnaire.
 - The goal is to be compliant by fiscal year ending 2007.
3. MIITAS Project
 - Treasury has a major project titled Michigan Integrated Tax System (MIITAS).
 - The intent of the department is to: 1) replace old legacy tax systems with SAP software, and 2) integrate the various tax systems.
 - First applications to move to the system: Registration, SUW, and new MBT (replacing SBT).
 - Dianne McAllister, Manager, Revenue Accounting Unit has been temporarily reassigned to the MIITAS Project for approximately 18 – 24 months.
 - Tom Sharpe is filling in for Dianne in the Revenue Accounting Unit (517-636-5379).
4. Warrants: Special Handling
 - Treasury has identified this process to fall within the COSO/ICE review in 2007.
 - There will be a form for agencies to complete if special handling is requested.
5. Warrants: Protecting Sensitive Warrant Information
 - Receipts Processing Division has drafted a policy/procedure for agencies. It is currently in Treasury's internal review process and will go to OFM for review, and may be issued as a Treasury letter first.
 - It will eventually be part of the FMG.
6. Brenda Frezell recently replaced Belinda Bannon as Eileen's assistant (517-636-5362). She will be facilitating RAUG meetings and is the primary Treasury contact for the FMG.
7. RAUG Subcommittee Update:
 - January 11: cash receipting issues (attachment for those not attending FMUG).
 - Information from these meetings will be included on Treasury's website.
 - Kim Stephen (DEQ) found the committee very helpful.
 - Others are welcome to attend the monthly meetings; they will be posted on the Internet. Meetings are scheduled through April (Feb. 8, March 8, and April 12), but may continue if the need arises.
 - Lisa Fath added that she and Cindy Bloomer are also participating to obtain information for the new FMG chapter on payments processing.
8. NOVA Conversion – The conversion to NOVA went smoothly for most agencies. All agency applications (except three MDOS applications) have been successfully converted.

9. CEPAS contract finalized. The new contract runs from December 1, 2006 through November 30, 2009. Most agency applications have already converted to CEPAS. Treasury will be working with agencies to migrate the remaining applications.

Roundtable Discussion

- Business Objects – Julie Earle (DIT)

Most all of the universes have been completed and are continually being updated. Two exceptions are the EFT universe and Treasury Credit Card universe. If you would like to work with Julie on one of those two, please call her at 335-2815.

If you need assistance with the purchasing side of Business Objects, you may contact Jim Edwards (335-1602), and Julie Solgat for payroll and human resource issues (335-5936).

As a reminder, Clear Access scripts are not being updated. Clear Access will not be loaded on new computers unless there is justification for retaining it. Jim Edwards stated that if your Clear Access suddenly stops functioning in the next couple of weeks, please call the DIT Help Desk at 241-9700

Jim also mentioned that DIT is changing to a new version of Business Objects.

OFM Division Updates

Support Services Division: Doug Ringler Reporting

- The quarterly update on the EFT compliance to PA 533 was forwarded to the CFOs on January 18. Also, a report was distributed as a FYI on department initiated purchase order, as an attempt to encourage more vendors to be EFT ready.
- The process was completed to reevaluate the incompatible security that exists. A workgroup met January 18 and discussed the incompatibility of UC90 and UC93:

UC90 was created for chief accountants but it appears that others have been utilizing it. As a result, the workgroup discussed removing entry capability from UC90, hoping to eliminate the incompatibility. Notification will be forwarded to agencies and they are encouraged to comment.

UC93 would then only be used for entering data.

- The MAIN EIS website will no longer be available; there is a link to OFM's website where you can obtain this information.
- We are in the process of upgrading Sales Logics - a tool used to help facilitate OFM's Help Desk.

Payroll and Tax Reporting Division – Ruth Mealy Reporting

- With regard to Act 533, we continue to send out quarterly reporting on the payroll payment side. We've added a last payment date.

- W2s and 1099s have been released for mailing.
- The Time and Expense project charter is being reviewed by the HRMN Coordination Committee. Ruth expects the charter will be approved. The next step is developing the detailed project plan. A phased approach will be taken; the expense reimbursement functionality is in the first phase.
- A Financial Management Guide Section will soon be available describing how to clearly define ways to determine employee “tax home” as compared to work location for travel reimbursement. Ruth encouraged departments to read the FMG section and review ongoing travel reimbursements.

Accounting and Financial Reporting Division – Laura Mester Reporting

- Because of the delay with the CAFR, the DAFM 357 and 359 will not be run. It relates to the spend close application and the lapse programs. Until we issue the CAFR, we will not be running those programs.
- A cost saving measure that is being considered is decreasing R*STARS availability which could include eliminating Saturdays. Research will begin to show how that impacts the IBM contract.
- Nandita Jain and her staff are working on the multiple EFT account project, which is proceeding slowly. The Phase II portion of the credit card project is on hold. We are working on the multiple EFT account, the time and expense project, and the availability of resources are scarce.

Eileen Bur added that Brenda Vincent will be discussing the credit card portion with Vaughn Bennett regarding the new MIITAS.

- AFRD is also working on write-off procedures in the FMG relating to fund balance reconciliation.

The meeting was adjourned at 3:20 p.m.